



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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April 15, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: John Naimo 
Auditor-Controller

SUBJECT: **QUARTERLY REPORT ON IMPACT OF HEALTH CARE REFORM ON
COUNTY CASH FLOWS (Board Agenda Item 36-A, June 25, 2013)**

On June 25, 2013, your Board instructed the Auditor-Controller to report quarterly on the impact of health care reform on the County's cash flows and the Department of Health Services' (DHS) financial performance. This report is for the quarter ended March 31, 2016.

We continue to closely monitor General Fund cash advances to the Hospital Funds. As of March 31, 2016, such advances were \$535 million. By comparison, the cash advances of a year ago (March 31, 2015) were \$847 million. Hospital cash flow requirements continue to remain manageable and stable in the current fiscal year.

We continue to work with DHS to estimate Hospital cash flows for the remainder of the current fiscal year. With the adoption of the County's Fiscal Year 2016-17 Recommended Budget, we have also begun to estimate Hospital cash flow needs for the upcoming fiscal year. If you have any questions, please contact me, or your staff may call Connie Yee at (213) 974-8321.

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c: Sachi A. Hamai, Chief Executive Officer
Lori Glasgow, Executive Officer, Board of Supervisors
Mitchell H. Katz, M.D., Director, Los Angeles County Health Agency
Joseph Kelly, Treasurer and Tax Collector
Audit Committee
Public Information Office